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AUSTRALIAN STATISTICS ADVISORY COUNCIL

Annual Report

1980-81

**AUSTRALIAN
STATISTICS
ADVISORY
COUNCIL**

Annual Report

1980-81

Australian Government Publishing Service
Canberra 1981

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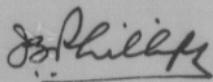
ISSN 0155-0780

Printed by Watson Ferguson and Co., Brisbane

The Honourable John Howard, M.P.
Treasurer of the Commonwealth of Australia

I have pleasure in submitting the Report of the Australian Statistics Advisory Council for the year ended 30 June 1981.

The Report outlines the work undertaken by the Council and is submitted to you for presentation to Parliament under section 24(2) of the *Australian Bureau of Statistics Act 1975*.

A handwritten signature in black ink, appearing to read "J. G. Phillips". The signature is fluid and cursive, with "J. G." on top and "Phillips" written below it in a larger, more stylized script.

J. G. PHILLIPS
Chairman

28 July 1981

The Council again wishes to acknowledge the help received from the Statistician and his officers in providing detailed papers and other information, and the courtesy and efficiency with which secretariat and other services have been made available.

(10-2-82)

MEMBERSHIP OF AUSTRALIAN STATISTICS ADVISORY COUNCIL (ASAC)

There have been a number of changes to the membership of ASAC in recent months and a complete list is provided below for the information of staff.

CHAIRMAN

Dr L.A. Brodribb
Managing Director
M. Brodribb Pty Ltd (Industrial Electronic Equipment)

MEMBERS

Mr R.J. Cameron
Australian Statistician (ex officio member)

Mr G.D. Allen
Director, Australian Industries
Development Association

Mr Y.J. Bain
Treasurer, National Council of Women
of Australia

Mr W. Boettcher
General President, The Primary Industry
Association of WA (Inc.)

Mr R.G. Bowe
Director, Policy & Research Division,
Treasury, WA

Dr N.R. Conn
Under Treasurer, Department of the
Treasury, NT

Mr D.J. Delaney
First Assistant Secretary, Research and
Policy Division, Department of the
Premier, Vic

Mr E.A. Evans
First Assistant Secretary, General
Financial and Economic Policy Division,
Department of the Treasury

Mr P.H. Goddard
Assistant Under Treasurer, Treasury, Tas

Prof. M.S.T. Hobbs
Associate Professor, Social and Preventive
Medicine, University of WA

Dr P.D. Jonson
Chief Manager, Research Department, Reserve
Bank of Australia

Dr M.S. Keating
First Assistant Secretary, Economic Division,
Department of the Prime Minister and Cabinet

Mr J.O. Llewellyn
Executive Director, Australian
Finance Conference

Mr P.O. Miller
Miller, Milston & Ferris (Engineering)

Mr N. Oakes
Secretary and Comptroller of Accounts,
The Treasury, NSW

Mr W.J. Orme
Executive Member, NSW Privacy Committee

Mr R.N. Overall
Research Officer,
Australian Council of Trade Unions

Mr L.G. Pitt
Commissioner, Department of the Public
Service Board, Qld

Mr R.J. Rechner
Corporate Administration Director,
The Myer Emporium Ltd

Mr A.M. Smith
Director, Industry Studies,
Department of Trade and Industry, SA

Mr D.I. Stanton
Assistant Director-General,
Research and Statistics Branch,
Department of Social Security

ASAC was established by the Australian Bureau of Statistics Act 1975 to provide the Treasurer and the Australian Statistician with advice on statistical priorities, programs and services in Australia.

MEMBERSHIP OF COUNCIL, 30 JUNE 1981

Sir John Phillips	Chairman
Mr R. J. Cameron	Australian Statistician
Mr G. D. Allen	Director, Australian Industries Development Association
Mrs Y. J. Bain	Treasurer, National Council of Women of Australia
Mr W. Boetcher	General President, Primary Industry Association of Western Australia
Mr R. G. Bowe	Director, Policy and Research Division, Treasury Department, Western Australia
Dr L. A. Brodribb	Managing Director, M. Brodribb Pty Ltd
Mr A. S. Colliver	First Assistant Director-General, Department of Social Security
Mr D. J. Delaney	First Assistant Secretary, Department of the Premier, Victoria
Mr B. W. Fraser (a)	First Assistant Secretary, Department of the Treasury
Prof. J. McB. Grant	Professor of Applied Economics, University of Tasmania
Prof. M. S. T. Hobbs	Associate Professor of Social and Preventive Medicine, University of Western Australia
Dr M. S. Keating	First Assistant Secretary, Department of the Prime Minister and Cabinet
Mr J. O. Llewellyn	Executive Director, Australian Finance Conference
Mr J. E. McDonnell	Under Secretary, Department of Employment and Labour Relations, Queensland
Mr P. O. Miller	Partner, Miller, Milton and Ferris
Dr W. E. Norton	Principal Research Economist, Reserve Bank of Australia
Mr N. Oakes	Secretary and Comptroller of Accounts, The Treasury, New South Wales
Mr W. J. Orme	Executive Member, New South Wales Privacy Committee
Mr R. N. Overall	Research Officer, Australian Council of Trade Unions
Mr R. J. Rechner	Corporate Administration Director, The Myer Emporium Ltd
Mr A. M. Smith	Director, Industry Studies, Department of Trade and Industry, South Australia

Changes in membership since 30 June 1980

February 1981 Mr B. W. Fraser appointed to succeed Mr J. D. Moore

Note: In this Report, after the first reference, the Australian Bureau of Statistics is referred to as the ABS or the Bureau, and the Australian Statistics Advisory Council as ASAC or the Council.

INTRODUCTION

The Australian Statistics Advisory Council was established by the *Australian Bureau of Statistics Act 1975*.

This is the fifth Annual Report of the Council, and is made in accordance with section 24(2) of the Act which provides that: 'the Council shall, as soon as practicable after 30 June in each year, prepare and submit to the Minister, for presentation to the Parliament, a report relating to matters connected with the operation of this Act'.

Under section 18(1) of the *Australian Bureau of Statistics Act 1975* the Council is to advise the Minister and the Statistician on:

- '(a) the improvement, extension and co-ordination of statistical services provided for public purposes in Australia;
- (b) annual and longer term priorities and programs of work that should be adopted in relation to major aspects of the provision of those statistical services; and
- (c) any other matters relating generally to those statistical services.'

The Act enables the Minister or the Statistician to seek the advice of the Council on these matters. The Council also offers advice on these matters to the Minister or the Statistician when it considers it appropriate to do so.

SUMMARY OF THE YEAR'S ACTIVITIES

Council Meetings

During 1980-81 the Council held four meetings in Canberra; on 1 July 1980, 15 August 1980, 19 November 1980 and 23 March 1981.

Council considered a wide range of topics at these meetings and a report on the most significant of them follows.

1981 Population Census public awareness program

Council discussed the preparations for the 1981 Population Census, particularly the public awareness program. A full presentation of the arrangements for the program was made to Council.

Council agreed that the purpose of the campaign should be to maximise the response to the Census and to improve the quality of that response. This should be done by reassuring people about confidentiality of personal information; by explaining the widespread benefits flowing from the Census; and by the provision of a variety of explanatory material in different languages, including publicity on the availability of help in completing census forms.

Council welcomed the appointment by the ABS of a public relations officer and considered that the overall program reflected the importance which it attached to achieving public co-operation and a high level and quality of response to the Census.

ABS work program

As in earlier years, Council considered the proposed ABS forward work program and offered advice to the Treasurer on the Statistician's proposals.

Council has now had three years' experience of examining the Bureau's forward planning and associated resource estimates and appreciates the amount of effort and the thoroughness which goes into this process. Council endorses the efforts being made by the ABS to review the justification for existing collections in relation to proposals for new collections, to redeploy resources from project to project as priorities change, and to seek the most efficient use of resources within the Bureau.

Council was informed that the ABS forward work program for 1981-82 to 1983-84 again assumed very little change in resources available, apart from specific approval, for a limited time, of an increased staff ceiling for data transcription activities associated with processing of the 1981 Population Census.

Council endorsed the work program as representing a reasonable balance between responsibility in the use of government funds and in the burden for respondents on the one hand, and the needs of government and the community for statistics on the other. However, as in 1979-80, Council noted that the Bureau was experiencing difficulty in maintaining the quality of its statistical service. Council is concerned that continuing pressure on staff numbers has already led to some reduction in the effort devoted to obtaining timely and accurate returns, and in the degree of scrutiny which can be given to figures before they are published. Council recognises that it is necessary to strike an appropriate balance between the resources which are devoted to ensuring reliability of existing statistical output and those used to extend the range of current collections. It will be reviewing in 1981-82 the extent of deterioration in statistical standards and whether remedial action should be recommended.

The Government's decisions on the Review of Commonwealth Functions were not announced until after the last meeting of the Council in 1980-81, so their effect on the Bureau is not discussed in this Report.

Health/welfare statistics

Council discussed proposals for improving the range and quality of health and welfare statistics at three meetings in 1980-81. As part of the Commonwealth Government's response to the Report on Evaluation in Australian Health and Welfare Services by the Senate Standing Committee on Social Welfare (The Baume Report), the Treasurer requested Council to report on the appropriateness of the share of ABS resources being allocated to health/welfare statistics.

Before making its recommendations to the Treasurer, Council considered a composite submission, prepared by the Social Welfare Policy Secretariat, which detailed the additional health and welfare data requirements of Commonwealth agencies. The

main requirements specified in the submission were for a commitment by the ABS to run regular surveys on key topics such as household expenditure, health, and health insurance coverage; and for the expansion of existing surveys to collect additional basic data such as family, household, and income unit structure.

Council considered each proposal from the point of view of whether the purposes for which the additional statistics were required, and the benefits to be gained from their use, outweighed the costs of collecting the data and the extra reporting burden on respondents. The invasion of privacy aspect of each collection was also considered. The scope for increased use of administrative records to obtain information was discussed, but it was recognised that a good deal of the required information could be obtained only from individuals, and household surveys were therefore necessary.

A draft survey program, aimed at satisfying most of the proposals put forward by the Social Welfare Policy Secretariat, was prepared by the ABS to assist Council in its consideration of the submission. However, it was evident that the degree to which the Secretariat's proposals could be met from within existing resources was limited, as was the practicability of transferring resources between social and non-social surveys.

Council re-examined the relative priorities of the proposals against both existing and proposed new collections outside the health/welfare field when it considered the ABS's three year forward work program. Council endorsed proposals to redeploy ABS resources so as to increase from 1982-83 the capacity to conduct the household surveys necessary to cover the high priority Secretariat proposals, as well as other justifiable user needs. Council believes that some further expansion of available resources would be desirable to meet emerging high priority requirements, such as a crime victims survey, which are best satisfied by this methodology.

Council concluded that it was not practicable or appropriate to allot a fixed proportion of ABS resources to the health/welfare sector, or to any other sector for that matter. The ABS work program and the associated allocation of resources needs to be kept under review and revised to reflect changing statistical demands.

During 1981-82, Council expects to consider a further report from the Secretariat covering, among other things, the data requirements of State Governments and the non-government sector.

Household expenditure survey

To assist in formulating the ABS forward work program the Statistician sought Council's views on the need for a further household expenditure survey; the relative advantages of three optional specifications for a future survey which had been drawn up by the ABS; and the priority to be accorded to a survey of this kind in the overall program of existing or planned statistical collections.

Council considered these issues in the light of its knowledge of user requirements, including those identified in the submission by the Social Welfare Policy Secretariat; constraints relating to financial and manpower resources, particularly the skilled staff needed to develop an appropriate computer processing system; and issues of respondent burden and intrusion of privacy.

The ABS is to pursue further certain aspects of a household expenditure survey and Council asked to be consulted as detailed plans are developed. In the meantime, a survey to be conducted for the year 1984 has been included in the Bureau's forward work program.

Potential use of business income tax data

Council considered a preliminary report by the ABS on the early stages of an investigation being undertaken jointly by the ABS and the Australian Taxation Office. This is aimed at assessing what could be achieved by the ABS obtaining access, on a confidential basis for purely statistical purposes, to information provided by individual businesses to the Australian Taxation Office.

Such access appears to offer the prospect of some reduction in the amount of information that must be sought by the ABS direct from businesses. Other potential benefits would be improvements in the ABS business register and in the consistency and reliability of economic statistics. Absolute confidentiality would be maintained by the ABS regarding the information obtained from tax records. No data collected from businesses by the ABS would be provided to the Australian Taxation Office.

Members of Council expressed some reservations that, even though absolute confidentiality would be maintained and no ABS data would be passed to the Taxation Office, there could possibly be apprehension and some adverse reaction by the public. Protection of confidentiality would have to be, and be seen to be, a vital feature of such a development. The suitability and reliability of information obtained from income tax records of individual businesses for the purpose of statistics also needed to be examined carefully.

Council will consider this matter again when the investigation has progressed further.

Statistics legislation

Council gave further consideration to proposed amendments to the *Census and Statistics Act 1905*. The main purposes of these proposals, which incorporated Government decisions on the recommendations made by the Australian Law Reform Commission in its report 'Privacy and the Census', were to modify the secrecy provision and to rectify a number of inadequacies of a technical and administrative nature. Council was satisfied that the confidentiality of information relating to the characteristics of identifiable persons or households would continue to be preserved under these proposals.

Council decided to support the proposed changes, recognising their value in expanding the service available from the ABS.

Some of the amendments considered by Council were incorporated in the *Census and Statistics Amendment Act 1981* which received Royal Assent on 25 May 1981. This Act was primarily concerned with modifications required for the conduct of the 1981 Population Census.

Discussions on ABS activities

At meetings of the Council during the year, ABS officers presented papers on various aspects of the Bureau's activities. These included the methodology used for population surveys and for measuring employment and unemployment, and the agricultural statistics program.

Council was also informed of progress with ABS reviews of specific collections, and of the activities of the National Accounts Advisory Group in considering problems affecting the quarterly national income and expenditure accounts.

Co-ordination of statistical services

As reported in the 1979-80 Annual Report, during that year Council considered the co-ordination of statistical services. In July 1980, Council advised the Treasurer of its views on the aims of statistical co-ordination and the role of the ABS in promoting greater co-ordination in the collection of official statistics.

Publicising the activities of ASAC and the ABS

Council considered whether greater publicity should be sought for its activities and decisions, but recognised some practical limitations and constraints.

Members were in agreement that more publicity for the activities of the ABS would be advantageous in promoting greater co-operation from respondents, and in improving relations with users and the public in general.

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